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SUBJECT: MEDIA REACTION: U.S.-CHINA-TAIWAN RELATIONS, APEC

¶1. Summary: Taipei Mayor Ma Ying-jeou's admission of his office's administrative defects in handling the special mayoral allowance stayed in the spotlight of the Taiwan media November 17. News coverage also focused on a near mid-air collision in South Korean airspace, and the surprise victory of the Taiwan baseball team over Cuba in an intercontinental tournament Thursday. The pro-status quo "China Times" ran the results of its latest survey on page three, showing that 40.2 percent of those polled said they believe in Ma's integrity. The same poll also found that 39.3 percent of respondents said they support Ma to run for president in 2008 even if he is indicted, while 31 percent said that Ma should not do so if indicted.

¶2. In terms of editorials and commentaries, an editorial in the pro-independence "Liberty Times," Taiwan's largest-circulation daily, discussed a recent "Washington Times" report on a Chinese submarine stalking the USS Kitty Hawk in the Pacific. The editorial said the incident indicated that "China is engaging in military exchanges with Washington on the one hand, while getting itself ready for possible future military conflicts with the United States on the other." The article also urged Taiwan to pass the U.S. arms procurements bill as early as possible to strengthen its defense capability. An editorial in the limited-circulation, pro-independence, English-language "Taiwan News" condemned China's efforts to edge out Taiwan in the APEC meetings and expressed support for the upcoming declaration by the APEC leadership for the resumption of negotiations in the Doha Round. End summary.

¶3. U.S.-China-Taiwan Relations

"Warning Signals to Taiwan of Chinese Submarine Stalking USS Kitty Hawk"

The pro-independence "Liberty Times" [circulation: 600,000] editorialized (11/17):

"The U.S. 'Washington Times' reported November 13 that a Chinese submarine stalked the carrier USS Kitty Hawk in the Pacific in late October and did not surface until it got within firing range. Earlier, Chinese submarines have also been spotted intruding into Japanese areas many times. All these indicate that China is engaging in military exchanges with Washington on the one hand, while getting itself ready for possible future military conflicts with the United States on the other. Making a decisive move to build submarines and naval vessels has been one of the key Chinese military buildup plans over the past few years, and it explained China's attempt to control the international waters of Asia. In addition to its concerns for energy and trade, China wants to control the international waters in Asia mainly because it wants counterbalance the United States and Japan, because it has to outpace these two countries if it wants to become the supreme leader in the region. ...

"Judged from this perspective, the widely-discussed 'China Threat Theory' as well as [statements about] the 'imminent conflicts between China and the United States' are by no means without foundation. All related countries and the United Nations should attach great importance to this potential threat to regional stability and security and must not let China grow into an untamed monster. Those who desire to diminish China's hegemonic ambitions via mutual military exchanges also must not overlook this deteriorating situation, simply because of their impractical imagination. ... Taiwan, in particular, must be gravely concerned about possible future crises in the face of military expansion by China, which is deemed a hypothetical enemy even by the United States and Japan. It is a big disappointment that Taiwan has yet to pass the long-stalled defense arms procurement budget due to political infighting between the ruling and opposition parties, as the military balance across the Taiwan Strait has long tilted in favor of China. The remarks made by AIT Taipei Director Stephen Young in late October, reminding Taiwan to pass the arms procurement budget as early as possible, were slammed by those who oppose the arms bill as interference in [Taiwan's] domestic politics. Judging from the fact that a Chinese submarine was stalking the USS Kitty Hawk, Young is evidently more concerned about Taiwan's security than those who oppose the arms bill. ..."

14. APEC

The pro-independence, English-language "Taiwan News" [circulation: 20,000] editorialized (11/17):

"... Allowing Beijing's exclusionary position to gain the upper hand even before serious discussions on a FTAAP have even begun would place Taiwan in an extremely disadvantageous position, even if Washington and, perhaps, Japan push for an inclusive concept. At stake is the nature and degree of Taiwan's continued liberal integration into Asian economic trade and investment flows and involvement in human security and other issues of regional concern.

Since nearly 54 percent of Taiwan's merchandise trade takes place in Asia, any hindrance to our involvement in regional and global bodies that make the rules governing such trade and resolving related disputes constitutes a direct threat to our economic prosperity. Hence, we support the upcoming declaration by the APEC leadership for the resumption of negotiations for the WTO's Doha Round and for Taiwan's own active involvement in helping to draft a package of 'model measures' that can help standardize the plethora of bilateral and regional trade agreements and thus reduce administrative barriers or transaction costs to our small and medium enterprises. ..."

YOUNG